

		CONTRACT		HCA Contract Number: K1132	
THIS AGREEMENT made by and between Washington State Health Care Authority, hereinafter referred to as "HCA," and the party whose name appears below, hereinafter referred to as the "Contractor."					
CONTRACTOR NAME Strategies 360			CONTRACTOR doing business as (DBA)		
CONTRACTOR ADDRESS 1505 Westlake Avenue N, Suite 1000 Seattle, WA 98109			WASHINGTON UNIFORM BUSINESS IDENTIFIER (UBI) 600530365		
CONTRACTOR CONTACT Jonathan Seib		CONTRACTOR TELEPHONE (206) 282-1990		CONTRACTOR E-MAIL ADDRESS jonathans@strategies360.com	
HCA PROGRAM Health Innovation Plan			HCA DIVISION/SECTION Health Care Policy		
HCA CONTACT NAME AND TITLE Janet Cornell Federal Grants Management & Budget Specialist			HCA CONTACT ADDRESS PO Box 45502 Olympia, WA 98504		
HCA CONTACT TELEPHONE (360) 725-0859			HCA CONTACT E-MAIL ADDRESS janet.cornell@hca.wa.gov		
IS THE CONTRACTOR A SUBRECIPIENT FOR PURPOSES OF THIS CONTRACT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		CFDA NUMBER(S) N/A		FFATA Form Required <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
CONTRACT START DATE March 20, 2014		CONTRACT END DATE December 31, 2014		TOTAL MAXIMUM CONTRACT AMOUNT \$105,000.00	
PURPOSE OF CONTRACT: The purpose of this Contract is to support the design and development of Accountable Communities of Health (ACHs) as a foundational element of the Washington State Health Care Innovation Plan.					
ATTACHMENTS/EXHIBITS. When the box below is marked with an X, the following Exhibits/Attachments are attached and are incorporated into this Contract Amendment by reference: <input type="checkbox"/> Exhibit(s) (specify): <input type="checkbox"/> Attachment(s) (specify): <input checked="" type="checkbox"/> Schedule(s) (specify): Schedule A – Statement of Work <input type="checkbox"/> No Exhibits/Attachment					
The terms and conditions of this Contract are an integration and representation of the final, entire and exclusive understanding between the parties superseding and merging all previous agreements, writings, and communications, oral or otherwise, regarding the subject matter of this Contract. The parties signing below warrant that they have read and understand this Contract, and have authority to execute this Contract. This Contract shall be binding on HCA only upon signature by HCA.					
CONTRACTOR SIGNATURE		PRINTED NAME AND TITLE		DATE SIGNED	
HCA SIGNATURE		PRINTED NAME AND TITLE		DATE SIGNED	

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Schedules

Schedule A: Statement of Work (SOW)

1 OVERVIEW

1.1 PURPOSE

The purpose of this Contract is to support the design and development of Accountable Communities of Health (ACHs) as a foundational element of the Washington State Health Care Innovation Plan (SHCIP). The Contractor will provide strategic and facilitative services to build alignment and affinity at the state and regional levels as a foundational element of the ACH designation process. To complete the tasks and fulfill the Contractor's obligations set out in this Contract, the Contractor will work in concert with state staff and other stakeholders engaged by the Health Care Authority (HCA) to support implementation of the State Health Care Innovation Plan.

1.2 STATEMENT OF WORK (SOW)

The Contractor shall provide the goods and/or services and staff as described in Schedule A, Statement of Work, attached hereto and incorporated herein.

2 SPECIAL TERMS AND CONDITIONS

2.1 TERM

Subject to its other provisions, the Term under this Contract shall be from March 20, 2014 through December 31, 2014 unless terminated sooner as provided herein.

HCA at its sole discretion may extend this Contract for an additional one (1) year, unless terminated sooner as provided herein.

The term of any Statement of Work (SOW) executed pursuant to this Contract shall be set forth in the SOW. The term of the SOW shall not exceed the term of this Contract. The SOW may be terminated in accordance with the termination provisions of this Contract or as mutually agreed between the parties.

Work performed without a contract or amendment signed by authorized representative of both parties shall be at the sole risk of the Contractor. HCA shall not pay, any costs incurred before a contract or any subsequent amendments is fully executed.

2.2 DES FILING REQUIREMENT

10-Day Filing (Sole source contracts over \$10,000)

The provisions of Chapter 39.26 RCW require HCA to file this sole source contract with the Department of Enterprise Services (DES) for approval. No contract so filed is effective nor shall work commence under it until the tenth (10th) working day following the date of filing subject to DES approval.

2.3 COMPENSATION AND PAYMENT

The Maximum Compensation, which includes any allowable expenses, payable to Contractor for the performance of all things necessary for or incidental to the performance of work as set forth in Schedule A, Statement of Work is \$105,000.00. Contractor's compensation for services rendered shall be based on the following rates or in accordance with the following terms but in no event shall the cost or payment exceed the Maximum Compensation associated with this Contract.

Contractors' compensation for services rendered shall be based on the mutually agreed upon rate of two hundred dollars (\$200.00) per hour.

Contractor and HCA agree that timely completion by Contractor of all Work and delivery of any goods and/or services is critical, and no additional compensation shall be paid unless the scope of work under the Contract is expanded by written amendment executed by authorized representatives of the Contractor and HCA.

Unless otherwise indicated in this Contract, any state funds which are unexpended as of June 30th will not be available to carry over into the next state fiscal year (June-July).

Source of Funds	Amount
Federal	\$0.00
State	\$105,000.00
Other	\$0.00
Total	\$105,000.00

2.4 BILLING AND INVOICE

Contractor shall submit correct invoices to the HCA Contract Manager for all amounts to be paid by the HCA hereunder.

All invoices submitted must meet with the approval of the Contract Manager or his/her designee prior to payment, of which approval shall not be unreasonably withheld.

Contractor shall only submit invoices for Services or Deliverables as permitted by this section of the Contract. The Contractor shall not bill the HCA for services performed under this Contract, and the HCA shall not pay the Contractor, if the Contractor is entitled to payment or has been or will be paid by any other source, including grants, for such services/deliverables.

Contractor shall submit properly itemized invoices to include the following information, as applicable:

- a) HCA Contract number K1132;
- b) Contractor name, address, phone number;
- c) Description of Services;
- d) Date(s) of delivery;
- e) Net invoice price for each item;
- f) Applicable taxes;
- g) Total invoice price; and
- h) Payment terms and any available prompt payment discount.

HCA will return incorrect or incomplete invoices to the Contractor for correction and reissue. The Contract Number must appear on all invoices, bills of lading, packages, and correspondence relating to this Contract.

Invoices shall describe and document to the HCA's satisfaction a description of the work performed; the progress of the project; and fees. If expenses are invoiced, provide a detailed breakdown of each type. Any single expenses in the amount of \$50.00 or more must be accompanied by a receipt in order to receive reimbursement.

HCA will make payment to the Contractor within thirty (30) days upon receipt of properly executed invoice vouchers. (Note: Failure to submit a properly completed IRS form W-9 may result in delayed payments.) Payment shall be considered timely if made by the HCA within thirty (30) days after receipt of properly completed invoices. Payment shall be sent to the address designated by the Contractor.

Upon expiration of the Contract, any claims for payment for costs due and payable under this Contract that are incurred prior to the expiration date must be submitted by the Contractor to HCA within sixty (60) days after the Contract expiration date. Belated claims shall be paid at the discretion of the HCA and are contingent upon the availability of funds.

The HCA may, in its sole discretion, terminate the Contract or withhold payments claimed by the Contractor for services rendered if the Contractor fails to satisfactorily comply with any term or condition of this Contract. No payments in advance or in anticipation of services or supplies to be provided under this Contract shall be made by the HCA.

Electronic Payment: The State of Washington prefers to utilize electronic payment in its transactions. Contractor will be expected to register as a statewide vendor. This allows Contractors to receive payments from all participating state agencies by direct deposit, the State's preferred method of payment. Forms necessary for registration can be obtained at www.ofm.wa.gov.

2.5 CONTRACT MANAGEMENT AND ADMINISTRATION

The individuals listed below or their successor shall be the main points of contact for services provided under this Contract. HCA's Contract Manager or his/her successor has the responsibility to monitor the Contractor's performance and shall be the contact person for all communications regarding contract performance, deliverables, and invoices. The Contract Manager has the authority to accept or reject the services provided and if satisfactory, certify acceptance of each invoice submitted for payment. Notifications regarding changes to this section must be in writing (e-mail) and maintained in the project file but will not require a formal contract amendment.

CONTRACTOR Contract Manager Information	Health Care Authority Contract Manager Information
Jonathan Seib Strategies 360 1505 Westlake Ave N, Suite 1000 Seattle, WA 98109 (206) 282-1990 jonathans@strategies360.com	Janet Cornell Health Care Authority PO Box 45502 Olympia, WA 98504-5502 (360) 725-0859 janet.cornell@hca.wa.gov

HCA shall appoint Laura Wood, or his/her designee, as HCA Contract Administrator for this Contract designated to receive legal notices, and to administer, amend, or terminate this Contract. All contract documents under this Contract will be processed by the HCA Contract Administrator and submitted to Contractor for acceptance. Contact information for the HCA Contract Administrator is:

HCA Contract Administrator: Laura Wood
Address: PO Box 42702 Olympia, WA 98504-2702
Phone: 360-725-1271 Email: contracts@hca.wa.gov

2.6 ORDER OF PRECEDENCE

Each of the Exhibits listed below is by this reference hereby incorporated into this Contract. In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

1. Applicable Federal and State of Washington statutes and regulations;
2. General Terms and Conditions;
3. Special Terms and Conditions (if any);
4. Schedule A – Statement of Work ;
5. Any other provision, term or material incorporated herein by reference or otherwise incorporated.

2.7 ENTIRE CONTRACT

This Contract including referenced exhibits represents all the terms and conditions agreed upon by the parties. No other understandings or representations, oral or otherwise, regarding the subject matter of this Contract shall be deemed to exist or to bind any of the parties hereto.

2.8 APPROVAL

This Contract shall be subject to the written approval of the HCA's authorized representative and shall not be binding until so approved. Only the HCA's authorized representative or his/her designee, by written delegation made prior to action, shall have the expressed, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Contract. Furthermore, any alteration, amendment, modification, or waiver of any clause or condition of this Contract is not effective or binding unless made in writing and signed by the HCA's authorized representative.

3 GENERAL TERMS AND CONDITIONS

3.1 DEFINITIONS

As used throughout this Contract, the following terms shall have the meaning set forth below:

"Agent" shall mean the Washington State Health Care Authority Administrator and/or the Administrator's delegate authorized in writing to act on behalf of the Administrator.

"Allowable Cost" shall mean an expenditure which meets the test of the appropriate OMB Circular (see Section I. Federal Compliance of Attachment 1). The most significant factors affecting allowability of costs are: 1) they must be necessary and reasonable, 2) they must be allocable, 3) they must be authorized or not published under state or local laws and regulations, and 4) they must be documented.

"Authorized representative" shall mean that individual(s) of HCA and his/her delegates within the Agency authorized to execute this Contract on behalf of HCA.

"Business Associate" is as defined in 45 CFR, Part 160.103 and includes any entity that performs or assists in performing a function or activity involving the use/disclosure of Individually Identifiable Health Information or involving any other function or activity regulated by HIPAA; or provides legal, accounting, actuarial, consulting, data aggregation, management, accreditation, or financial service where the services involve Individually Identifiable Health Information.

"Business Days and Hours" shall mean Monday through Friday, 8:00 a.m. to 5:00 p.m., Pacific Time, except for holidays observed by the state of Washington.

"Contract" shall mean this Contract document, all schedules, exhibits, attachments, and amendments.

"Contractor" shall mean that firm, provider, organization, individual or other entity performing services under this Contract. It shall include any subcontractor retained by the prime contractor as permitted under the terms of this Contract.

"Effective Date" shall mean the first date this Contract is in full force and effect. It may be a specific date agreed to by the parties; or, if not so specified, the date of the last signature of a party to this Contract.

"Equipment" shall mean an article of non-expendable, tangible property having a useful life of more than one year and an acquisition cost of \$5,000 or more.

"Health Care Authority"(HCA) shall mean the Washington State Health Care Authority, any division, section, office, unit or other entity of HCA, or any of the officers or other officials lawfully representing HCA.

"Schedule A: Statement of Work" or "SOW" shall mean a separate statement of the work to be accomplished by Vendor under the terms and conditions of this Contract.

"Subrecipient" shall mean a contractor operating a federal or state assistance program receiving federal funds and having the authority to determine both the services rendered and disposition of program. See OMB Circular A-133 for additional detail.

“Successor” is defined as any entity which, through amalgamation, consolidation, or other legal succession becomes invested with rights and assumes burdens of the first contractor/ vendor.

3.2 ACCESS TO DATA

In compliance with Chapter 39.26 RCW, the Contractor shall provide access to data generated under this Contract to HCA, the Joint Legislative Audit and Review Committee, and the State Auditor at no additional cost. This includes access to all information that supports the findings, conclusions, and recommendations of the Contractor’s reports, including computer models and methodology for those models.

3.3 ADVANCE PAYMENT PROHIBITED

No advance payment shall be made for services furnished by the Contractor pursuant to this Contract.

3.4 AMENDMENTS

This Contract may be amended by advance mutual written agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

3.5 AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, also referred to as the “ADA” 28 CFR Part 35.

The Contractor must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

3.6 ASSURANCES

HCA and the Contractor agree that all activity pursuant to this Contract will be in accordance with all the applicable current federal, state and local laws, rules, and regulations.

3.7 ASSIGNMENT

With the prior written consent of HCA, which consent shall not be unreasonably withheld, Contractor may assign this Contract including the proceeds hereof, provided that such assignment shall not operate to relieve Contractor of any of its duties and obligations hereunder, nor shall such assignment affect any remedies available to HCA that may arise from any breach of the sections of this Contract, Statements of Work, or warranties made herein including but not limited to, rights of setoff.

HCA may assign this Contract or Statements of Work to any public agency, commission, board, or the like, within the political boundaries of the state of Washington, provided that such assignment shall not operate to relieve HCA of any of its duties and obligations hereunder.

3.8 ATTORNEYS' FEES

In the event of litigation or other action brought to enforce contract terms, each party agrees to bear its own attorney's fees and costs.

3.9 CHANGE IN STATUS

In the event of substantive change in the legal status, organizational structure, or fiscal reporting responsibility of the Contractor, Contractor agrees to notify the HCA of the change. Contractor shall provide notice as soon as practicable, but no later than thirty days after such a change takes effect.

3.10 CONFIDENTIALITY/SAFEGUARDING OF INFORMATION

The use or disclosure by any party, either verbally or in writing, of any Confidential Information shall be subject to Chapter 42.56 RCW and Chapter 70.02 RCW, as well as other applicable federal and state laws and administrative rules governing confidentiality. Specifically, the Contractor agrees to limit access to Confidential Information to the minimum amount of information necessary, to the fewest number of people, for the least amount of time required to do the work. The obligations set forth in this clause shall survive completion, cancellation, expiration, or termination of this Contract.

A. Notification of Confidentiality Breach

Upon a breach or suspected breach of confidentiality, the Contractor shall immediately notify the HCA Public Disclosure Officer. For the purposes of this Contract, "immediately" shall mean within one calendar day.

The contractor will take steps necessary to mitigate any known harmful effects of such unauthorized access including, but not limited to sanctioning employees, notifying subjects, and taking steps necessary to stop further unauthorized access. The Contractor agrees to indemnify and hold harmless HCA for any damages related to unauthorized use or disclosure by the Contractor, its officers, directors, employees, Subcontractors or agents.

Any breach of this clause may result in termination of the Contract and the demand for return of all confidential information.

B. Subsequent Disclosure

The Contractor will not release, divulge, publish, transfer, sell, disclose, or otherwise make the Confidential Information known to any other entity or person without the express prior written consent of the HCA's Public Disclosure Officer, or as required by law.

If responding to public record disclosure requests under RCW 42.56, the Contractor agrees to notify and discuss with the HCA's Public Disclosure Officer requests for all information that are part of this Contract, prior to disclosing the information. HCA will provide to the Contractor the name and contact information for the HCA Public Disclosure Officer. The Contractor further agrees to provide the HCA a minimum of two calendar weeks to initiate legal action to secure a protective order under RCW 42.56.540.

3.11 CONFLICT OF INTEREST

Notwithstanding any determination by the Executive Ethics Board or other tribunal, HCA may, in its sole discretion, by written notice to the Contractor terminate this Contract if it is found after due notice and examination by the Agent that there is a violation of the Ethics in Public Service Act, Chapter 42.52 RCW; or any similar statute involving the Contractor in the procurement of, or services under this Contract.

In the event this Contract is terminated as provided above, HCA shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of a breach of the contract by the Contractor. The rights and remedies of HCA provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by the law. The existence of facts upon which the Agent makes any determination under this clause shall be an issue and may be reviewed as provided in the "Disputes" clause of this Contract.

3.12 CONFORMANCE

If any provision of this Contract violates any statute or rule of law of the State of Washington, it is considered modified to conform to that statute or rule of law.

3.13 COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that no person or selling agent has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established agents maintained by the Contractor for the purpose of securing business. HCA shall have the right, in the event of breach of this clause by the Contractor, to annul this Contract without liability or, in its discretion, to deduct from the contract price or consideration or recover by other means the full amount of such commission, percentage, brokerage or contingent fee.

3.14 DEBARMENT

The Contractor, by signature to this Contract, certifies that the Contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded in any Washington State or Federal department or agency from participating in transactions (debarred). The Contractor agrees to include the above requirement in any and all subcontracts into which it enters, and also agrees that it will not employ debarred individuals. The Contractor shall immediately notify HCA if, during the term of this Contract, Contractor becomes debarred. HCA may immediately terminate this Contract by providing Contractor written notice in accord with the "Contract Management and Administration" subsection of this Contract, if Contractor becomes debarred during the term hereof.

3.15 DISPUTES

The parties shall use their best, good faith efforts to cooperatively resolve disputes and problems that arise in connection with this Contract. Both parties will continue without delay to carry out their respective responsibilities under this Contract while attempting to resolve the dispute under this section. When a genuine dispute arises between HCA and the Contractor regarding the terms of this Contract or the responsibilities imposed herein which cannot be resolved at the project management level, either party may submit a request for a dispute resolution to the Contract Administrator which shall oversee the following Dispute Resolution Process: HCA shall appoint a representative to a dispute panel; the Contractor shall appoint a representative to the dispute panel; HCA's and Contractor's representatives shall mutually agree on a third person to chair the dispute panel. The dispute panel shall thereafter decide the dispute with the majority prevailing.

A party's request for a dispute resolution must:

- Be in writing,
- State the disputed issues,
- State the relative positions of the parties,
- State the contractor's name, address, and his/her department contract number,
- Be mailed to HCA Contracts Office, PO Box 42702, Olympia, WA 98504-2702 within thirty (30) calendar days after the party could reasonably be expected to have knowledge of the issue which he/she now disputes.

This dispute resolution process constitutes the sole administrative remedy available under this Contract. The parties agree that this resolution process shall precede any action in a judicial and quasi-judicial tribunal.

3.16 FORCE MAJEURE

A party shall not be liable for any failure of or delay in the performance of this Contract for the period that such failure or delay is due to causes beyond its reasonable control, including but not limited to acts of God, war, strikes or labor disputes, embargoes, government orders or any other force majeure event.

3.17 GOVERNING LAW

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

3.18 INDEMNIFICATION

To the fullest extent permitted by law, the Contractor shall indemnify, defend, and hold harmless the State of Washington, HCA, and all officials, agents and employees of the State, from and against all claims for injuries or death arising out of or resulting from the performance of the Contract. Contractor's obligation to indemnify, defend and hold harmless includes any claim by Contractor's agents, employees, representatives, or any subcontractor or its employees.

Contractor expressly agrees to indemnify, defend, and hold harmless the State for any claim arising out of or incident to Contractor's or any subcontractor's performance or failure to perform the Contract. Contractor's obligation to indemnify, and hold harmless the State shall not be eliminated or reduced by any actual or alleged concurrent negligence of State or its agents, agencies, employees and officials.

Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless State and its agencies, officials, agents or employees.

3.19 INDEPENDENT CAPACITY OF THE CONTRACTOR

The parties intend that an independent contractor relationship will be created by this Contract. The Contractor and his or her employees or agents performing under this Contract are not employees or agents of HCA. The Contractor will not hold himself/herself out as or claim to be an officer or employee of HCA or of the State of Washington by reason hereof, nor will the Contractor make any claim of right, privilege or benefit which would accrue to such employee under law. Conduct and control of the work will be solely with the Contractor.

3.20 INDUSTRIAL INSURANCE COVERAGE

Prior to performing work under this Contract, the Contractor shall provide or purchase industrial insurance coverage for the Contractor's employees, as may be required of an "employer" as defined in Title 51 RCW, and shall maintain full compliance with Title 51 RCW during the course of this Contract. Should the Contractor fail to secure industrial insurance coverage or fail to pay premiums, as may be required under Title 51 RCW, HCA may deduct the amount of premiums and any penalties owing from the amount payable to the Contractor under the Contract and transmit the same to the Department of Labor and Industries, Division of Insurance Services. This provision does not waive any right under RCW 51.12.050 to collect from the Contractor amounts paid by HCA.

3.21 INSURANCE

The Contractor shall provide insurance coverage as set out in this section. The intent of the required insurance is to protect the State should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission of the Contractor or subcontractor, or agents of either, while performing under the terms of this Contract.

The Contractor shall provide insurance coverage that shall be maintained in full force and effect during the term of this Contract, as follows:

- A. Commercial General Liability Insurance Policy - Provide a Commercial General Liability Insurance Policy, including contractual liability, in adequate quantity to protect against legal liability arising out of contract activity but no less than \$1,000,000 per occurrence. Additionally, the Contractor is responsible for ensuring that any subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

- B. Business Automobile Liability. In the event that services delivered pursuant to this Contract involve the use of vehicles, either owned, hired, or non-owned by the Contractor, automobile liability insurance shall be required covering the risks of bodily injury (including death) and property damage, including coverage for contractual liability. The minimum limit for automobile liability is:

\$1,000,000 per occurrence, using a Combined Single Limit for bodily injury and property damage.

- C. The insurance required shall be issued by an insurance company/ies authorized to do business within the state of Washington, and shall name HCA and The State of Washington, its agents and employees as additional insured's under the insurance policy/ies. All policies shall be primary to any other valid and collectable insurance. Contractor shall instruct the insurers to give HCA 30 days advance notice of any insurance cancellation.

Upon request, Contractor shall submit to Agency, a certificate of insurance which outlines the coverage and limits defined in the *Insurance* section. If a certificate of insurance is requested, Contractor shall submit renewal certificates as appropriate during the term of the contract.

3.22 LICENSING, ACCREDITATION AND REGISTRATION

The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements/standards, necessary for the performance of this Contract.

3.23 LIMITATION OF AUTHORITY

Only the Agent or Agent's delegate by writing (delegation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Contract. Furthermore, any alteration, amendment, modification, or waiver or any clause or condition of this Contract is not effective or binding unless made in writing and signed by the Agent.

3.24 NONDISCRIMINATION

During the performance of this Contract, the Contractor shall comply with all federal and state nondiscrimination laws, regulations and policies.

3.25 OVERPAYMENT AND ASSERTION OF LIEN

In the event that HCA establishes overpayments or erroneous payments made to the Contractor under this Contract, HCA may secure repayment, plus interest, if any, through the filing of a lien against the Contractor's real property, or by requiring the posting of a bond, assignment or deposit, or some other form of security acceptable to HCA, or by doing both.

3.26 PRIVACY

Personal information collected, used or acquired in connection with this Contract shall be used solely for the purposes of this Contract. Contractor and its subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of HCA or as provided by law. Contractor agrees to implement physical, electronic and managerial safeguards to prevent unauthorized access to personal information.

HCA reserves the right to monitor, audit, or investigate the use of personal information collected, used or acquired by the contractor through this Contract. The monitoring, auditing or investigating may include but is not limited to "salting" by HCA. Contractor shall certify return or destruction of all personal information upon expiration of this Contract. Salting is the act of placing a record containing unique but false information in a database that can be used later to identify inappropriate disclosure of data contained in the database.

Any breach of this provision may result in termination of the Contract and the demand for return of all personal information. The Contractor agrees to indemnify and hold harmless HCA for any damages related to the Contractor's unauthorized use of personal information.

For purposes of this provision, personal information includes, but is not limited to, information identifiable to an individual that relates to a natural person's health, finances, education, business, use or receipt of governmental services, or other activities, names, addresses, telephone numbers, social security numbers, driver license numbers, financial profiles, credit card numbers, financial identifiers and other identifying numbers.

3.27 PUBLICITY

The Contractor agrees to submit to HCA all advertising and publicity matters relating to this Contract wherein HCA's name is mentioned or language used from which the connection of HCA's name may, in authority's judgment, be inferred or implied. The Contractor agrees not to publish or use such advertising and publicity matters without the prior written consent of HCA.

3.28 RATIFICATION

The effective date of this contract/amendment is date of execution unless there is a specific effective date referenced. In that case, the parties agree that is the effective date.

3.29 RECORDS, DOCUMENTS, AND REPORTS

The Contractor shall maintain complete financial records relating to this Contract and the services rendered including all books, records, documents, magnetic media, receipts, invoices and other evidence relating to this Contract and performance the services described herein, including but not limited to, accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. At no additional cost, these records including materials generated under this Contract, shall be subject at all reasonable times to inspection, review, or audit by HCA, the Office of the State Auditor, and state and federal officials so authorized by law, rule, regulation, or agreement. The Contractor shall retain such records for a period of six (6) years after the date of final payment.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

3.30 REGISTRATION WITH DEPARTMENT OF REVENUE

The Contractor shall complete registration with the Washington State Department of Revenue and be responsible for payment of all taxes due on payments made under this Contract.

3.31 RIGHT OF INSPECTION

The Contractor shall provide right of access to its facilities to HCA, or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this Contract.

3.32 RIGHTS IN DATA/COPYRIGHT

Unless otherwise provided, all materials produced exclusively under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by HCA. HCA shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, Contractor hereby irrevocably assigns all right, title, and interest in Materials, including all intellectual property rights, to HCA effective from the moment of creation of such Materials.

Materials means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions that derive exclusively from the Contractor's work under this Contract. Ownership includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the Contract, but that incorporate pre-existing materials not produced under the Contract, Contractor hereby grants to HCA a nonexclusive, royalty-free, irrevocable license (with rights to sublicense others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Contractor warrants and represents that Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to HCA.

The Contractor shall exert all reasonable effort to advise HCA, at the time of delivery of Materials furnished under this Contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Contract. HCA shall receive prompt written notice of each notice or claim of copyright infringement received by the Contractor with respect to any data delivered under this Contract. HCA shall have the right to modify or remove any restrictive markings placed upon the data by the Contractor.

3.33 SAFEGUARDING OF INFORMATION

The use or disclosure by any party of any information concerning HCA for any purpose not directly connected with the administration of HCA's or the Contractor's responsibilities with respect to services provided under this Contract is prohibited except by written consent of HCA.

3.34 SAVINGS

In the event funding from any state, federal, or other sources is withdrawn, reduced, or limited in any way after the date this Contract is signed and prior to the termination date, HCA may, in whole or in part, suspend or terminate this Contract upon fifteen (15) calendar days' prior written notice to Contractor or upon the effective date of withdrawn or reduced funding, whichever occurs earlier. At HCA's sole discretion the Contract may be renegotiated under the revised funding conditions. If this Contract is so terminated or suspended, HCA shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date.

3.35 SEVERABILITY

If any provision of this Contract or any provision of any documents incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Contract which can be given effect without the invalid provision, and to this end the provisions of this Contract are declared to be severable.

3.36 SITE SECURITY

While on HCA premises, Contractor, its agents, employees, or subcontractors shall conform in all respects with physical, fire or other security policies or regulations. Failure to comply with these regulations may be grounds for revoking or suspending security access to these facilities. HCA reserves the right and authority to immediately revoke security access to Contractor staff for any real or threatened breach of this provision. Upon reassignment or termination of any Contractor staff, Contractor agrees to promptly notify HCA.

3.37 SUBCONTRACTING

Neither the Contractor, nor any Subcontractors, shall enter into subcontracts for any of the work contemplated under this Contract without prior written approval of HCA. In no event shall the existence of the subcontract operate to release or reduce the liability of the contractor to HCA for any breach in the performance of the contractor's duties. This clause does not include contracts of employment between the contractor and personnel assigned to work under this Contract.

Additionally, the Contractor is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this Contract are carried forward to any subcontracts. Contractor and its subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons confidential information without the express written consent of HCA or as provided by law.

If, at any time during the progress of the work, the HCA determines in its sole judgment that any subcontractor is incompetent or undesirable, the HCA shall notify the Contractor, and the Contractor shall take immediate steps to terminate the subcontractor's involvement in the work.

The rejection or approval by the HCA of any subcontractor or the termination of a subcontractor shall not relieve the Contractor of any of its responsibilities under the Contract, nor be the basis for additional charges to the HCA.

The HCA has no contractual obligations to any subcontractor or vendor under contract to the Contractor. The Contractor is fully responsible for all contractual obligations, financial or otherwise, to their subcontractors.

3.38 SURVIVABILITY

The terms and conditions contained in this Contract which by their sense and context, are intended to survive the completion, cancellation, termination, or expiration of the Contract shall survive.

3.39 SYSTEM SECURITY

Contractor agrees not to attach any Contractor-supplied computers, peripherals or software to the HCA Network without prior written authorization from HCA's Information Systems Manager. Contractor-supplied computer equipment, including both hardware and software, must be reviewed by the HCA Information Services prior to being connected to any HCA network connection and that it must have up to date anti-virus software and personal firewall software installed and activated on it.

Unauthorized access to HCA networks and systems is a violation of HCA Policy 06-03 and constitutes computer trespass in the first degree pursuant to RCW 9A.52.110. Violation of any of these laws or policies could result in termination of the contract and other penalties.

3.40 TAXES

All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance or other expenses for the Contractor or its staff shall be the sole responsibility of the Contractor.

3.41 TERMINATION FOR CAUSE

In the event HCA determines the Contractor has failed to comply with the conditions of this Contract in a timely manner, HCA has the right to suspend or terminate this Contract. HCA shall notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within 3 days, the Contract may be terminated. HCA reserves the right to suspend all or part of the Contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the Contractor or a decision by HCA to terminate the Contract.

In the event of termination, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original Contract and the replacement or cover Contract and all administrative costs directly related to the replacement Contract, e.g., cost of the competitive bidding, mailing, advertising, and staff time. The termination shall be deemed a "Termination for Convenience" if it is determined that the Contractor: (i) was not in default, or (ii) failure to perform was outside of his or her control, fault or negligence. The rights and remedies of HCA provided in this Contract are not exclusive and are in addition to any other rights and remedies provided by law.

3.42 TERMINATION FOR CONVENIENCE

Except as otherwise provided in this Contract, the Agent may, by giving ten (10) days written notice, beginning on the second day after the mailing, terminate this Contract in whole or in part when it is in the best interest of HCA. If this Contract is so terminated, HCA shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination.

3.43 TERMINATION PROCEDURES

Upon termination of this Contract HCA, in addition to any other rights provided in this Contract, may require the Contractor to deliver to HCA any property specifically produced or acquired for the performance of such part of this Contract as has been terminated.

HCA shall pay to the Contractor the agreed upon price, if separately stated, for completed work and service accepted by HCA and the amount agreed upon by the Contractor and HCA for (i) completed work and services for which no separate price is stated; (ii) partially completed work and services; (iii) other property or services which are accepted by HCA; and (iv) the protection and preservation of property, unless the termination is for default, in which case the Agent shall determine the extent of the liability. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this Contract. HCA may withhold from any amounts due the Contractor such sum as the Agent determines to be necessary to protect HCA against potential loss or liability.

The rights and remedies of HCA provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

After receipt of notice of termination, and except as otherwise directed by the Agent, the Contractor shall:

- A. Stop work under the Contract on the date, and to the extent specified in the notice;
- B. Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the Contract that is not terminated;
- C. Assign to HCA, in the manner, at the times, and to the extent directed by the Agent, all the rights, title, and interest of the Contractor under the orders and subcontracts so terminated; in which case HCA has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- D. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Agent to the extent the Agent may require, which approval or ratification shall be final for all the purposes of this clause;
- E. Transfer title to HCA and deliver in the manner, at the times, and to the extent directed by the Agent any property which, if the Contract has been completed, would have been required to be furnished to HCA;

- F. Complete performance of such part of the work as shall not have been terminated by the Agent; and
- G. Take such action as may be necessary, or as the Agent may direct, for the protection and preservation of the property related to this Contract which is in the possession of the Contractor and in which HCA has or may acquire an interest.

3.44 WAIVER

Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of breach of any provision of this Contract shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing signed by the Agent and attached to the original Contract.

SCHEDULE A STATEMENT OF WORK

1. GUIDING PRINCIPLES

This work is intended to maximize the likelihood that public and private commitment to the transformation vision and State Health Care Innovation Plan (SHCIP), particularly with regard to Accountable Communities of Health (ACH) creation, will endure and that future federal financing will be made available to implement the SHCIP.

The successful design and development of the ACHs is a foundational element of the SHCIP, particularly in ensuring healthy communities and integrating physical and behavioral health care to meet the needs of the whole person. ACH design, development, and designation will be a collaborative process between and within communities and the State.

2. SCOPE OF WORK AND DELIVERABLES

a. The Contractor will provide strategic and facilitative services in support of the design and development of ACHs, ultimately resulting in ACH designation by HCA by January 2015. ACH design and development will be a collaborative process between and within communities and the state, dependent on discussions that build trust, strengthen partnerships, and ensure communities can identify priorities and take early action to achieve shared goals. The Contractor will collaborate with HCA and other stakeholders to design and implement a series of strategic regional discussions across the state to inform the ACH designation process. This may include engaging subcontracted facilitators, as mutually agreed upon with prior written approval by the Contractor and HCA, see section 3.37, Subcontractors. Additionally, the Contractor will engage with multiple state agencies to build a supportive backbone guided by collective impact principles at the state level in order to support regional initiatives.

b. The Contractor must provide services and deliverables, and otherwise do all things necessary for or incidental to the performance of work as set forth under this SOW:

1) Task 1 – Facilitate state agency retreat.

In partnership with HCA's SHCIP project director, the Contractor will build upon the information outlined in the SHCIP and findings from Contractor's previous innovation planning engagement to plan and facilitate an Executive Management Advisory Council retreat that will include executive leadership from multiple state agencies. This first step in the ACH design and development process is intended to support the expectation of collective impact at the community level through state agency alignment and identification of common priorities, embodying a health in all policies approach. The convening will establish a foundational understanding of ACHs and identify agency actions to support regional initiatives.

2) Task 2 – Design and implement regional meetings

In partnership with HCA's SHCIP project director and HCA staff, the Contractor will design, implement, and facilitate no more than nine (9) regional meetings across the state that address ACH elements specific to the area and solicit region-specific barriers and strategies to address them. Each meeting will be in a mutually agreed upon time and location. The Contractor will submit to HCA for prior written approval, the design outline for each meeting that will consider the following:

- i. Proposed objectives and agenda;
- ii. Proposed outreach and invitation strategy;
- iii. Proposed facilitators;
- iv. Pre-meeting and meeting materials;
- v. Proposed neutral meeting location, travel and other meeting resources, recognizing that many regional meetings will have natural host organizations to provide meeting space;
- vi. Meeting implementation roles, considering pre- and post-convening tasks; and
- vii. Anticipated budget, including all meeting expenses.

3) Task 3 – Advise ACH designation process.

The Contractor will inform the ACH designation strategy and process based on regional meetings. This may include participation in Executive Management Advisory Council meetings, contributions to and review of ACH elements included in the anticipated Center for Medicare and Medicaid Innovation next SHCIP grant application, participation in discussions with statewide and regional stakeholders, and review of and input into ACH designation materials. Additionally, the Contractor may play a role in ongoing designation discussions with the state and regions as necessary.

3. DELIVERABLES TIMELINE

<u>Deliverable</u>	<u>Date</u>	<u>Not to Exceed Amount</u>
Task 1 – Facilitate state agency retreat <ul style="list-style-type: none">In partnership with HCA SHCIP project director, plan and facilitate Executive Management Advisory Council retreat.	Date of Execution – March 21, 2014	\$5,000 total including all expenses.

<p>Task 2 – Design and implement regional meetings</p> <ul style="list-style-type: none"> • Design outlines specific to each regional meeting that considers proposed objectives and agenda; outreach and invitation strategy; facilitators; necessary materials; roles; and convening design and implementation budget • In partnership with HCA’s SHCIP project director and staff, design, implement and facilitate no more than nine (9) region-specific meetings. 	<p>DOE – June 30, 2014</p>	<ul style="list-style-type: none"> • \$85,000.00 total for all expenses related to no more than nine (9) meetings. • \$45,000.00 for design and implementation; \$40,000.00 for meeting materials and travel budget.
<p>Task 3 – Advise ACH designation process.</p> <ul style="list-style-type: none"> • Build upon the state agency and regional meetings to contribute to the ACH designation strategy and process, as necessary. 	<p>DOE – December 31, 2014</p>	<p>Mutually agreed-upon hourly rate of \$200.00.</p>